

Remarks

The Office Action mailed January 31, 2007 and made final has been carefully reviewed and the foregoing amendment and following remarks are made in consequence thereof.

Claims 1-36 and 48 are currently pending in this application. Claims 1-36 and 48 stand rejected. Claims 37-47 have been cancelled.

The present amendment is intended to provide a complete reply to the final rejection by canceling previously withdrawn Claims 40-47, as suggested in the Office Action. Applicant wishes to emphasize that the cancellation of Claims 40-47 is without prejudice, and expressly reserves the right to file a continuation and/or divisional application or applications for further prosecution of the subject matter contained in these claims. Accordingly, Applicant expressly disavows any intention to surrender the subject matter of Claims 40-47 by cancellation in the instant application, and reserve the right to prosecute these claims in future applications.

The rejection of Claims 1-4, 6, 9-14, 16, 19-21, 23, 26-29, 31, 34-36 and 48 under 35 U.S.C. § 103(a) as being unpatentable over Erlanger (U.S. Pub. No. 2003/02001125) in view of Krahenbuehl et al. (U.S. Pub. No. 2002/0046067) is respectfully traversed.

Applicant respectfully submits that neither Erlanger nor Krahenbuehl, alone or in combination, describe or suggest the claimed invention. As discussed below, at least one of the differences between the cited references and the present invention is that neither Erlanger nor Krahenbuehl, alone or in combination, describe or suggest a method of coordinating, by a sponsor, an auction for providing reinsurance for an insurance program of a cedent by a plurality of reinsurers, wherein the method includes displaying a submission screen on at least one client system for prompting a cedent to input a request for reinsurance of an insurance program wherein the submission screen includes a first section for prompting the cedent to input basic parameters of the request for reinsurance, and a second section for prompting the cedent to respond to questions and *attach documents for underwriting the insurance program associated with the request.* (Emphasis added.)

The Office Action acknowledges that Erlanger does not describe displaying a submission screen as recited in Claim 1. However, the Office Action asserts that Krahenbuehl describes this recitation at Figures 8 and 9, and paragraphs 72-74 and 76. Applicant traverses this assertion. As discussed below, Applicant submits that Krahenbuehl does not describe displaying a submission screen for prompting a cedent to input a request for reinsurance of an insurance program wherein the submission screen includes a first section for prompting the cedent to input basic parameters of the request for reinsurance, and a second section for prompting the cedent to respond to questions and *attach documents for underwriting the insurance program associated with the request*. Rather, Krahenbuehl describes Figure 9 as a screen that prompts a user to input information (bid parameters) that will be used to generate a bid (or draft bid) in the auction. The parameters depend on the reinsurance product type, but typical parameters include the total sum insured, Gross Net Premium Income (GNPI), a deductible, an amount of coverage, a share percentage, a bid name, an inception date and an actual bid. Krahenbuehl does not describe or suggest prompting the cedent to respond to questions and *attach documents for underwriting the insurance program associated with the request*. In fact, Krahenbuehl fails to even mention attaching any such documents, and the information submitted in Krahenbuehl are bid parameters that have nothing to do with underwriting an insurance program.

Moreover, Applicant respectfully submits that neither Erlanger nor Krahenbuehl, alone or in combination, describe or suggest *performing by the sponsor an underwriting analysis of the request for reinsurance and producing by the sponsor an underwriting report including an analysis of risk of loss associated with said insurance program, wherein the risk of loss analysis includes an amount of losses expected on said insurance program over a predetermined period of time*. (Emphasis added.)

The Office Action asserts that Erlanger describes at paragraphs 183-189 performing by the sponsor an underwriting analysis of the request for reinsurance and producing by the sponsor an underwriting report including an analysis of risk of loss associated with said insurance program. Applicant traverses this assertion. As explained below, Applicant submits that Erlanger does not describe *performing by the sponsor an underwriting analysis of the request for*

reinsurance and producing by the sponsor an underwriting report including an analysis of risk of loss associated with the insurance program. In fact, Erlanger teaches away from the notion that a sponsor performs an underwriting analysis and produces an underwriting report.

Specifically, paragraph 186 of Erlanger clearly states that each potential reinsurer evaluates each insurance policy by its own underwriting standards. In other words, in Erlanger, the reinsurer performs the underwriting, which teaches away from the sponsor performing the underwriting analysis in the present invention.

Furthermore, Applicant respectfully submits that neither Erlanger nor Krahenbuehl, alone or in combination, describe or suggest *making the request for reinsurance and said underwriting report available to the participating reinsurers and enabling the participating reinsurers to make respective bids*, during a selected period, to reinsure a portion of the insurance program, and *submitting bids using the at least one client system by each of the participating reinsurers after the request for reinsurance and the underwriting report have been made available to the participating reinsurers*, each bid includes a maximum percentage of reinsurance for the insurance program offered by the participating reinsurer and a rate specified by the participating reinsurer. (Emphasis added.)

Because Erlanger teaches away from the notion that a sponsor performs an underwriting analysis and produces an underwriting report by describing at paragraph 186 that each potential reinsurer evaluates each insurance policy by its own underwriting standards, Erlanger also does not describe or teach *making the underwriting report available to the participating reinsurers and enabling the participating reinsurers to make respective bids*...to reinsure a portion of the insurance program, and *submitting bids by each of the participating reinsurers after the request for reinsurance and the underwriting report have been made available to the participating reinsurers*.

Erlanger describes a data processing system that provides a market for: (1) the provision of insurance and reinsurance between insurers and those seeking insurance and reinsurance, and (2) the sale of insurance between reinsurers. More specifically, the data processing system provides a market for the provisioning of insurance and reinsurance that invites insurers,

insurance seekers, and reinsurers to patronize the system. An embodiment of the present invention includes: receiving at a data processing system an underwriting standard from each of a plurality of insurers; compiling a first set of statistics in the data processing system based on the underwriting standards from each of the plurality of insurers; and outputting from the data processing system the first set of statistics to a selected insurer at a price that is based on a measure of fees earned with respect to the selected insurer.

Krachenbuchl describes a system and method of selling reinsurance includes identifying a reinsurance product and a capacity of the reinsurance product to be sold and calculating a fair risk price for the reinsurance product. The reinsurance product is then offered to potential buyers via an electronic auction, wherein a minimum bid in the electronic auction is determined, at least in part, by the fair risk price. Bids are received from the buyers for portions of the capacity of the reinsurance product and are ranked in accordance with a calculated profitability value and/or time of receipt. Buyers are notified of a status of their respective bids, and particularly, whether bids have been tentatively accepted, partially accepted, or excluded, i.e., rejected. Upon notification of bid status, buyers are given the opportunity to modify bid parameters in an attempt to have their bids ranked at higher a level, thereby increasing the chance of the bid being accepted.

Claim 1 recites a method of coordinating, by a sponsor, an auction for providing reinsurance for an insurance program of a cedent by a plurality of reinsurers using a server system coupled to a database and at least one client system, the server system and the database are associated with the sponsor, the method includes "establishing a network of participating reinsurers meeting eligibility requirements to participate in said auction...establishing a reinsurance capacity for each of said participating reinsurers...displaying a submission screen on the at least one client system for prompting a cedent to input a request for reinsurance of an insurance program, the submission screen is stored within the database and is transmitted to the at least one client system, the submission screen including a first section for prompting the cedent to input basic parameters of the request for reinsurance, and a second section for prompting the cedent to respond to questions and attach documents for underwriting the insurance program associated with the request...receiving at the server said request for

reinsurance of the insurance program from the cedent...performing by the sponsor an underwriting analysis of said request for reinsurance and producing by the sponsor an underwriting report including an analysis of risk of loss associated with said insurance program, wherein the risk of loss analysis includes an amount of losses expected on said insurance program over a predetermined period of time...making said request for reinsurance and said underwriting report available to said participating reinsurers and enabling said participating reinsurers to make respective bids, during a selected period, to reinsurance a portion of said insurance program...submitting bids using the at least one client system by each of the participating reinsurers after said request for reinsurance and said underwriting report have been made available to the participating reinsurers, each bid to include a maximum percentage of reinsurance for said insurance program offered by said participating reinsurer and a rate specified by said participating reinsurer...receiving bids at the server from said participating reinsurers during said selection period...selecting bids by the sponsor which fulfill said request for reinsurance, as a reinsurance proposal...and offering said reinsurance proposal to said cedent."

Neither Erlanger nor Krahenbuehl, considered alone or in combination, describe or suggest the method of Claim 1. More specifically, neither Erlanger nor Krahenbuehl, alone or in combination, describe or suggest a method of coordinating, by a sponsor, an auction for providing reinsurance for an insurance program of a cedent by a plurality of reinsurers, wherein the method includes displaying a submission screen on at least one client system for prompting a cedent to input a request for reinsurance of an insurance program wherein the submission screen includes a first section for prompting the cedent to input basic parameters of the request for reinsurance, and a second section for prompting the cedent to respond to questions and *attach documents for underwriting the insurance program associated with the request.* (Emphasis added.)

The Office Action acknowledges that Erlanger does not describe displaying a submission screen as recited in Claim 1. However, the Office Action asserts that Krachenbuehl describes this recitation at Figures 8 and 9, and paragraphs 72-74 and 76. Applicant traverses this assertion. Applicant submits that Krahenbuehl does not describe or teach displaying a submission screen for prompting a cedent to input a request for reinsurance of an insurance

program wherein the submission screen includes a first section for prompting the cedent to input basic parameters of the request for reinsurance, and a second section for prompting the cedent to respond to questions and *attach documents for underwriting the insurance program associated with the request*. Rather, Kraehenbuehl describes Figures 8 and 9 as follows:

FIGS. 8 and 9 depict exemplary screenshots of web pages that are made available to direct insurers via web server 38. Specifically, FIG. 8 depicts an auction desktop 800 that is a personalized workplace for monitoring the several bids that may be active in the reinsurance auction of the present invention. More specifically, the screen preferably displays an overview of all of the bids that have been entered. If no bids have been entered, then none is listed. A pull-down 810 menu is provided for selecting an auction in which a new bid can be added. A separate screen 900 for adding a new bid is described with respect to FIG. 9. (Paragraph 70.)

When a new bid is desired, a participant selects the reinsurance product from the select auction pull-down menu and clicks on the-ADD BID button. This causes screen 900 of FIG. 9 to be displayed on a web browser belonging to the bidder (i.e., direct insurer 12a, 12b or 12c). Screen 900 displays information about the current auction including the name of the auction, the total capacity of the auction, the status of the auction, as well as the start and end date of the auction. The user then inputs information (bid parameters) that will be used to generate a bid (or draft bid) in this auction. Parameters depend on the reinsurance product type, but typical parameters include the total sum insured, Gross Net Premium Income (GNPI), a deductible, an amount of coverage, a share percentage, a bid name, an inception date and an actual bid. The SAVE button saves the bid as a draft and lists the draft bid on the auction desktop as shown in FIG. 8. The RESET button clears all parameters that have been entered. The BID button submits the entered bid to the auction. As previously mentioned, once the bid is submitted and accepted, the user is preferably bound to purchase the requested amount of reinsurance capacity. (Paragraph 76.)

In other words, Figure 8 of Kraehenbuehl describes an auction desktop that is used by a direct insurer for monitoring the bids that have been entered in the reinsurance auction. If no bids have been entered, then none is listed. Accordingly, Figure 8 of Kraehenbuehl does not describe or teach displaying a submission screen for prompting a cedent to input a request for reinsurance of an insurance program wherein the submission screen includes a first section for prompting the cedent to input basic parameters of the request for reinsurance, and a second section for

prompting the cedent to respond to questions and attach documents for underwriting the insurance program associated with the request.

Figure 9 of Krahenbuehl describes a screen that displays information about the current auction including the name of the auction, the total capacity of the auction, the status of the auction, as well as the start and end date of the auction. The user then inputs information (bid parameters) that will be used to generate a bid (or draft bid) in the auction (e.g., the total sum insured, Gross Net Premium Income (GNPI), a deductible, an amount of coverage, a share percentage, a bid name, an inception date and an actual bid). Applicant respectfully submit that inputting bid parameters as described in Figure 9 of Krahenbuehl does not describe or teach displaying a submission screen for prompting a cedent to input a request for reinsurance of an insurance program wherein the submission screen includes a first section for prompting the cedent to input basic parameters of the request for reinsurance, and a second section for prompting the cedent to respond to questions and attach documents for underwriting the insurance program associated with the request.

Applicant further submits that neither Erlanger nor Krahenbuehl, alone or in combination, describe or suggest *performing by the sponsor an underwriting analysis of the request for reinsurance and producing by the sponsor an underwriting report including an analysis of risk of loss associated with said insurance program.* (Emphasis added.)

The Office Action asserts that Erlanger describes at paragraphs 183-189 performing by the sponsor an underwriting analysis of the request for reinsurance and producing by the sponsor an underwriting report including an analysis of risk of loss associated with said insurance program. Applicant traverses this assertion. Applicant submits that Erlanger does not describe *performing by the sponsor an underwriting analysis of the request for reinsurance and producing by the sponsor an underwriting report including an analysis of risk of loss associated with the insurance program.* In fact, Erlanger teaches away from the notion that a sponsor performs an underwriting analysis and produces an underwriting report. Specifically, paragraph 186 of Erlanger clearly states that each potential reinsurer evaluates each insurance policy by its own underwriting standards. Paragraph 186 provides as follows:

In either case, this facilitates the reinsurance of policies by enabling each potential reinsurer to evaluate the cost/value of each individual policy by its own underwriting standards.

In other words, in Erlanger, the reinsurer performs the underwriting using their own standards. Thus, Erlanger teaches away from the present invention, wherein the present invention describes the sponsor performing the underwriting analysis and producing the underwriting report.

Furthermore, neither Erlanger nor Kraehenbuehl, alone or in combination, describe or suggest *making the request for reinsurance and the underwriting report available to the participating reinsurers and enabling the participating reinsurers to make respective bids, during a selected period, to reinsure a portion of the insurance program, and submitting bids using the at least one client system by each of the participating reinsurers after the request for reinsurance and the underwriting report have been made available to the participating reinsurers*, each bid includes a maximum percentage of reinsurance for the insurance program offered by the participating reinsurer and a rate specified by the participating reinsurer.

(Emphasis added.)

Notably, as stated above, Erlanger does not describe, teach or even mention generating an underwriting report. Moreover, Erlanger does not describe submitting bids using the at least one client system by each of the participating reinsurers after the request for reinsurance and the underwriting report have been made available to the participating reinsurers. Rather, the “bids” submitted in Erlanger are submitted by the insurers along with the underwriting standards prior to the insurance seekers submitting their insurance request. Accordingly, Erlanger cannot teach submitting bids by each of the participating reinsurers after the request for reinsurance and the underwriting report have been made available to the participating reinsurers. Accordingly, Applicant respectfully submits that Claim 1 is patentable over Erlanger in view of Kraehenbuehl.

For at least the reasons set forth above, Claim 1 is submitted to be patentable over Erlanger in view of Kraehenbuehl.

Claims 2-4, 6 and 9-10 depend from independent Claim 1. When the recitations of Claims 2-4, 6 and 9-10 are considered in combination with the recitations of Claim 1, Applicant

submits that dependent Claims 2-4, 6 and 9-10 likewise are patentable over Erlanger in view of Krachenbuehl.

In addition, Applicant submits that neither Erlanger or Krachenbuehl describe or suggest dependent Claims 3 and 4. For example, Claim 3 is directed to “notifying said participating reinsurers that said sponsor will provide a portion of said reinsurance at a price and percentage to be determined by said sponsor prior to selecting bids for said reinsurance proposal.” The Office Action asserts at pages 5-6 that Erlanger describes this recitation by describing “par. 166-172: a portion of the fees of data system (i.e. sponsor) are remitted to the insurer/reinsurer and thus provide a portion of insurance/reinsurance.” Applicant traverses this assertion. Paragraphs 167-172 of Erlanger actually provide as follows:

As shown in FIG. 5, at step 311, data processing system 101 outputs an indicium of a portion of the fee, if any, to be remitted to each insurer. The purpose of remitting a portion of the fee to the selected insurer is to encourage each insurer to:

(i) patronize data processing system 101;

(ii) offer the widest variety of insurance products at the lowest premiums and fees and with the best terms; and

(iii) write the largest number of policies possible through the system.

To this end, the amount of the fee to be remitted is advantageously dependent on: (i) the measure of fees earned by data processing system 101 from transactions in a given interval in which the insurer has provided the insurance, and (ii) a graduated schedule (e.g., Table 1 above, etc.). For example, if less than \$1,000,000 in fees are earned by data processing system 101 from transactions in which a given insurer has provided the insurance within the last month, then only 15% of the earned fee is remitted to the insurer. In contrast, if more than \$5,000,000 in fees are earned by data processing system 101 from transactions in which a given insurer has provided the insurance within the last month, then 35% of the earned fee is remitted. The statistics compiled in step 309 are useful in determining the amount of the fee to be remitted to the selected insurer.

In other words, Erlanger describes a fee that is paid by the insurer for using the system wherein a portion of the fee is remitted back to the insurer based on the amount that the insurer has used the system. Thus, in Erlanger the fee being remitted is a marketing tool that is used to

motivate the insurer to use the system. Applicant submits that the fee being remitted in Erlanger does not describe or teach notifying participating reinsurers that the sponsor will provide *a portion of the reinsurance at a price and percentage to be determined by the sponsor prior to selecting bids for the reinsurance proposal.*

Similarly, Applicant submits that Erlanger does not describe the recitations of Claim 4, specifically “binding, by said sponsor, said selected participating reinsurers to provide reinsurance for said insurance program...and guaranteeing, by said sponsor, payment by each of said selected participating reinsurers for any proper claims made for reinsurance of said insurance program.” Erlanger does not describe or teach a sponsor binding the reinsurers.

For these reasons, Applicant submits that dependent Claims 2-4, 6 and 9-10 are patentable over Erlanger in view of Krahenbuehl.

Claim 11 recites a method of coordinating, by a sponsor, an auction for providing insurance for a cedent by a plurality of insurers, comprising the steps of “providing a server system associated with the sponsor, the server system coupled to a database...providing a plurality of client systems associated with the cedent and the plurality of insurers, the client systems coupled to the server...establishing a network of participating insurers meeting eligibility requirements to participate in said auction...establishing an insurance capacity for each of said participating insurers...displaying a submission screen on the at least one client system for prompting a cedent to input a request for insurance, the submission screen is stored within the database and is transmitted to the at least one client system, the submission screen including a first section for prompting the cedent to input basic parameters of the request for insurance, and a second section for prompting the cedent to respond to questions and attach documents for underwriting the insurance associated with the request...receiving at the server said request for insurance from the cedent...performing by the sponsor an underwriting analysis of said request for insurance and producing by the sponsor an underwriting report including an analysis of risk of loss associated with said insurance, wherein the risk of loss analysis includes an amount of losses expected on said insurance over a predetermined period of time...making said request for insurance and said underwriting report available to said participating insurers

and enabling said participating insurers to make respective bids, during a selected period, to cover a portion of said insurance; each bid to include a maximum percentage of insurance offered by said participating insurer and a rate specified by said participating insurer...submitting bids using the at least one client system by each of the participating insurers after said request for insurance and said underwriting report have been made available to the participating insurers...receiving bids at the server from said participating insurers during said selected period...selecting bids by the sponsor which fulfill said request for insurance, as an insurance proposal...and offering said insurance proposal to said cedent."

Claim 11 recites a method that includes steps essentially similar to those recited in Claim 1. Thus, it is submitted that Claim 11 is patentable over Erlanger in view of Krachenbuehl for at least the reasons that correspond to those given with respect to Claim 1.

Claims 12-14, 16 and 19-20 depend from independent Claim 11. When the recitations of Claims 12-14, 16 and 19-20 are considered in combination with the recitations of Claim 11, Applicant submits that dependent Claims 12-14, 16 and 19-20 are also patentable over Erlanger in view of Krachenbuehl.

Claim 21 recites a process for coordinating, by a sponsor, an auction for providing insurance for a cedent by a plurality of insurers, the process using a computer associated with the sponsor coupled to a remote computer, the process includes "establishing a network of participating insurers meeting eligibility requirements to participate in said auction...establishing an insurance capacity for each of said participating insurers...displaying a submission screen on the remote computer for prompting a cedent to input a request for insurance, the submission screen is stored at the sponsor computer and is transmitted to the remote computer, the submission screen including a first section for prompting the cedent to input basic parameters of the request for insurance, and a second section for prompting the cedent to respond to questions and attach documents for underwriting the insurance associated with the request...receiving at the sponsor computer said request for insurance from the cedent...performing an underwriting analysis of said request for insurance by the sponsor...producing an underwriting report including an analysis of risk of loss associated with said insurance program, wherein the risk of

loss analysis includes an amount of losses expected on the insurance program over a predetermined period of time...making said request for insurance and said underwriting report available to said participating insurers and enabling said participating insurers to make respective bids, during a selected period, to cover a portion of said insurance each bid to include a maximum percentage of insurance offered by said participating insurer and a rate specified by said participating insurer...submitting bids using the remote computer by each of the participating insurers after said request for insurance and said underwriting report have been made available to the participating insurers...receiving bids from said participating insurers during said selection period...selecting bids which fulfill said request for insurance, as an insurance proposal...offering said insurance proposal to said cedent...binding said selected participating insurers to provide said insurance...and guaranteeing, by said sponsor, payment by each of said selected participating insurers for any proper claims made on said insurance.”

Claim 21 recites a process that includes steps essentially similar to those recited in Claim 1. Thus, it is submitted that Claim 21 is patentable over Erlanger in view of Krachenbuehl for at least the reasons that correspond to those given with respect to Claim 1.

Claims 23 and 26-28 depend from independent Claim 21. When the recitations of Claims 23 and 26-28 are considered in combination with the recitations of Claim 21, Applicant submits that dependent Claims 23 and 26-28 are also patentable over Erlanger in view of Krachenbuehl.

Claim 29 recites a process for coordinating, by a sponsor, an auction for providing reinsurance for a cedent by a plurality of insurers, the process using a computer associated with the sponsor coupled to a plurality of remote computers, the process includes “establishing a network of participating reinsurers meeting eligibility requirements to participate in said auction...establishing a reinsurance capacity for each of said participating reinsurers...displaying a submission screen on at least one of the remote computers for prompting a cedent to input a request for reinsurance, the submission screen is stored at the sponsor computer and is transmitted to the remote computer, the submission screen including a first section for prompting the cedent to input basic parameters of the request for reinsurance, and a second section for prompting the cedent to respond to questions and attach documents for underwriting the

reinsurance associated with the request...receiving at the sponsor computer said request for reinsurance from the cedent...performing an underwriting analysis of said request for reinsurance by the sponsor...producing, by the sponsor, an underwriting report including an analysis of risk of loss associated with said reinsurance program, wherein the risk of loss analysis includes an amount of losses expected to said reinsurance program over a predetermined period of time...making said request for reinsurance and said underwriting report available to said participating reinsurers and enabling said participating reinsurers to make respective bids, during a selected period, to cover a portion of said reinsurance...submitting bids using at least one of the remote computers by each of the participating reinsurers after said request for reinsurance and said underwriting report have been made available to the participating reinsurers, each bid to include a maximum percentage of reinsurance offered by said participating reinsurer and a rate specified by said participating reinsurer...receiving bids from said participating reinsurers during said selected period...selecting bids which fulfill said request for reinsurance, as a reinsurance proposal...offering said reinsurance proposal to said cedent; binding said selected participating reinsurers to provide said reinsurance...and guaranteeing, by said sponsor, payment by each of said selected participating reinsurers for any proper claims made on said reinsurance.”

Claim 29 recites a process that includes steps essentially similar to those recited in Claim 1. Thus, it is submitted that Claim 29 is patentable over Erlanger in view of Krahenbuehl for at least the reasons that correspond to those given with respect to Claim 1.

Claims 31 and 34-36 depend from independent Claim 29. When the recitations of Claims 31 and 34-36 are considered in combination with the recitations of Claim 29, Applicant submits that dependent Claims 31 and 34-36 are also patentable over Erlanger in view of Krahenbuehl.

Claim 48 recites a system for coordinating, by a sponsor, an auction for providing reinsurance for an insurance program of a cedent by a plurality of reinsurers. The system includes a plurality of client systems associated with the cedent and the plurality of reinsurers, a database for storing information, and a server system configured to be coupled to the client systems and the database. The server is associated with the sponsor. The server system is configured to “store in the database a network of participating reinsurers meeting eligibility

requirements to participate in said auction including a reinsurance capacity for each of said participating reinsurers...display a submission screen on at least one of the client systems for prompting a cedent to input a request for reinsurance of an insurance program, the submission screen including a first section for prompting the cedent to input basic parameters of the request for reinsurance, and a second section for prompting the cedent to respond to questions and attach documents for underwriting the insurance program associated with the request...receive said request for reinsurance from the cedent...generate an underwriting report for the sponsor based on an underwriting analysis performed by the sponsor of said request for reinsurance, wherein the underwriting analysis including an analysis of risk of loss associated with said insurance program, said request for reinsurance and said underwriting report accessible by said participating reinsurers...prompt said participating reinsurers to submit respective bids, during a selected period, to reinsure a portion of said insurance program, the bids are submitted after said request for reinsurance and said underwriting report have been made available to the participating reinsurers...receive bids from said participating reinsurers during said selection period...select bids which fulfill said request for reinsurance, as a reinsurance proposal...and offer said reinsurance proposal to said cedent."

Claim 48 recites a system that includes steps essentially similar to those recited in Claim 1. Thus, it is submitted that Claim 48 is patentable over Erlanger in view of Krachenbuehl for at least the reasons that correspond to those given with respect to Claim 1.

For at least the reasons set forth above, Applicant respectfully request that the Section 103 rejection of Claims 1-4, 6, 9-14, 16, 19-21, 23, 26-29, 31, 34-36, and 48 be withdrawn.

The rejection of Claims 8, 18, 25 and 33 under 35 U.S.C. § 103(a) as being unpatentable over Erlanger in view of Krachenbuehl as applied to Claims 1, 11, 21, and 29, and further in view of the alleged Admitted Prior Art is respectfully traversed.

Claim 8 depends from Claim 1. Claim 1 is recited hereinabove. As stated above, Claim 1 is patentable over Erlanger in view of Krachenbuehl. The alleged Admitted Prior Art does not make up for the deficiencies of Erlanger in view of Krachenbuehl. Therefore, Claim 1 is patentable over Erlanger in view of Krachenbuehl and further in view of the alleged Admitted

Prior Art. Accordingly, when the recitations of Claim 8 are considered in combination with the recitations of Claim 1, Applicant submits that dependent Claim 8 likewise is patentable over Erlanger in view of Kraehenbuehl and further in view of the alleged Admitted Prior Art.

Claim 18 depends from Claim 11. Claim 11 is recited hereinabove. As stated above, Claim 11 is patentable over Erlanger in view of Kraehenbuehl. The alleged Admitted Prior Art does not make up for the deficiencies of Erlanger in view of Kraehenbuehl. Therefore, Claim 11 is patentable over Erlanger in view of Krachenbuehl and further in view of the alleged Admitted Prior Art. Accordingly, when the recitations of Claim 18 are considered in combination with the recitations of Claim 11, Applicant submits that dependent Claim 18 likewise is patentable over Erlanger in view of Kraehenbuehl and further in view of alleged Admitted Prior Art.

Claim 25 depends from Claim 21. Claim 21 is recited hereinabove. As stated above, Claim 21 is patentable over Erlanger in view of Kraehenbuehl. The alleged Admitted Prior Art does not make up for the deficiencies of Erlanger in view of Kraehenbuehl. Therefore, Claim 21 is patentable over Erlanger in view of Krachenbuehl and further in view of the alleged Admitted Prior Art. Accordingly, when the recitations of Claim 25 are considered in combination with the recitations of Claim 21, Applicant submits that dependent Claim 25 likewise is patentable over Erlanger in view of Kraehenbuehl and further in view of alleged Admitted Prior Art.

Claim 33 depends from Claim 29. Claim 29 is recited hereinabove. As stated above, Claim 29 is patentable over Erlanger in view of Kraehenbuehl. The alleged Admitted Prior Art does not make up for the deficiencies of Erlanger in view of Kraehenbuehl. Therefore, Claim 29 is patentable over Erlanger in view of Krachenbuehl and further in view of the alleged Admitted Prior Art. Accordingly, when the recitations of Claim 33 are considered in combination with the recitations of Claim 29, Applicant submits that dependent Claim 33 likewise is patentable over Erlanger in view of Kraehenbuehl and further in view of alleged Admitted Prior Art.

For at least the reasons set forth above, Applicant respectfully request that the Section 103 rejection of Claims 8, 18, 25 and 33 be withdrawn.

The rejection of Claims 5, 7, 15, 17, 22, 24, 30 and 32 under 35 U.S.C. § 103(a) as being unpatentable over Erlanger in view of Krahenbuehl as applied to Claims 1, 11, 21, and 29, and further in view of Walker et al. (U.S. Patent No. 6,119,093) ("Walker") is respectfully traversed.

Erlanger is described above. Walker describes a system for facilitating a syndicated sale of an insurance policy. The system employs a processor and a storage device connected to the processor, and a data receiving device and a data output device connected to the processor. The processor executes a program to receive information relating to the insurance policy, and transmit for electronic viewing by a potential buyer an invitation to offer to buy a share in the underwriting of the insurance policy. The share has associated therewith a risk cost assessable to the buyer if payment is made on a claim under the insurance policy. The processor receives offers to underwrite the share of the insurance policy; each offer includes information identifying collateral (e.g., line of credit associated with a credit card account) against which the risk cost may be charged in the event of payment on a claim. The transmission of the invitation and the offer to buy a share may be made on the Internet.

Claims 5 and 7 depend from independent Claim 1. Claim 1 is recited hereinabove. As stated above, Erlanger in view of Krahenbuehl does not describe or suggest the method recited in Claim 1. Walker does not make up for the deficiencies of Erlanger in view of Krahenbuehl. Accordingly, for at least the reasons set forth above, Claim 1 is submitted to be patentable over Erlanger in view of Krahenbuehl and further in view of Walker.

When the recitations of Claims 5 and 7 are considered in combination with the recitations of Claim 1, Applicant submits that dependent Claims 5 and 7 likewise are patentable over Erlanger in view of Krahenbuehl and further in view of Walker.

Claims 15 and 17 depend from independent Claim 11. Claim 11 is recited hereinabove. As stated above, Erlanger in view of Krahenbuehl does not describe or suggest the method recited in Claim 11. Walker does not make up for the deficiencies of Erlanger in view of Krahenbuehl. Accordingly, for at least the reasons set forth above, Claim 11 is submitted to be patentable over Erlanger in view of Krahenbuehl and further in view of Walker.

When the recitations of Claims 15 and 17 are considered in combination with the recitations of Claim 11, Applicant submits that dependent Claims 15 and 17 likewise are patentable over Erlanger in view of Krahenbuehl and further in view of Walker.

Claims 22 and 24 depend from independent Claim 21. Claim 21 is recited hereinabove. As stated above, Erlanger in view of Krahenbuehl does not describe or suggest the process recited in Claim 21. Walker does not make up for the deficiencies of Erlanger in view of Krahenbuehl. Accordingly, for at least the reasons set forth above, Claim 21 is submitted to be patentable over Erlanger in view of Krahenbuehl and further in view of Walker.

When the recitations of Claims 22 and 24 are considered in combination with the recitations of Claim 21, Applicant submits that dependent Claims 22 and 24 likewise are patentable over Erlanger in view of Krahenbuehl and further in view of Walker.

Claims 30 and 32 depend from independent Claim 29. Claim 29 is recited hereinabove. As stated above, Erlanger in view of Krahenbuehl does not describe or suggest the process recited in Claim 29. Walker does not make up for the deficiencies of Erlanger in view of Krahenbuehl. Accordingly, for at least the reasons set forth above, Claim 29 is submitted to be patentable over Erlanger in view of Krahenbuehl and further in view of Walker.

When the recitations of Claims 30 and 32 are considered in combination with the recitations of Claim 29, Applicant submits that dependent Claims 30 and 32 likewise are patentable over Erlanger in view of Krahenbuehl and further in view of Walker.

For at least the reasons set forth above, Applicant respectfully requests that the Section 103 rejection of Claims 5, 7, 15, 17, 22, 24, 30 and 32 be withdrawn.

In addition to the arguments set forth above, Applicant further submits that the rejection of Claims 1-4, 6, 9-14, 16, 19-21, 23, 26-29, 31, 34-36 and 48 under 35 U.S.C. § 103(a) as being unpatentable over Erlanger in view of Krahenbuehl; the rejection of Claims 8, 18, 25 and 33 under 35 U.S.C. § 103(a) as being unpatentable over Erlanger in view of Krahenbuehl and further in view of the alleged Admitted Prior Art; and the rejection of Claims 5, 7, 15, 17, 22, 24, 30 and 32 under 35 U.S.C. § 103(a) as being unpatentable over Erlanger in view of Walker is

further traversed on the grounds that the Section 103 rejection of the presently pending claims is not a proper rejection.

Obviousness cannot be established by merely suggesting that it would have been obvious to one of ordinary skill in the art to modify Erlanger using the teachings of Kraehenbuehl, the Admitted Prior Art and Walker. More specifically, as is well established, obviousness cannot be established by combining the teachings of the cited art to produce the claimed invention, absent some teaching, suggestion, or incentive supporting the combination. It is impermissible to use the claimed invention as an instruction manual or "template" to piece together the teachings of the prior art so that the claimed invention is rendered obvious. Specifically, one cannot use hindsight reconstruction to pick and choose among isolated disclosures in the prior art to deprecate the claimed invention. Further, it is impermissible to pick and choose from any one reference only so much of it as will support a given position, to the exclusion of other parts necessary to the full appreciation of what such reference fairly suggests to one of ordinary skill in the art.

As the Federal Circuit has recognized, obviousness is not established merely by combining references having different individual elements of pending claims. Ex parte Levingood, 28 U.S.P.Q.2d 1300 (Bd. Pat. App. & Inter. 1993). MPEP 2143.01. Rather, there must be some suggestion, outside of Applicant's disclosure, in the prior art to combine such references, and a reasonable expectation of success must be both found in the prior art, and not based on Applicant's disclosure. In re Vaeck, 20 U.S.P.Q.2d 1436 (Fed. Cir. 1991). In the present case, neither a suggestion or motivation to combine the prior art disclosures, nor any reasonable expectation of success has been shown.

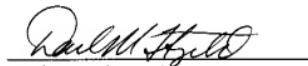
None of Erlanger, Kraehenbuehl, the Admitted Prior Art or Walker, considered alone or in combination, describe or suggest the claimed combination. Rather, the present Section 103 rejection is based on a combination of teachings selected from multiple references in an attempt to arrive at the claimed invention. Since there is no teaching, suggestion or motivation for the combination of Erlanger, Kraehenbuehl, the Admitted Prior Art and Walker, the Section 103 rejection appears to be based on a hindsight reconstruction in which isolated disclosures have

been picked and chosen in an attempt to deprecate the present invention. Of course, such a combination is impermissible, and for this reason alone, Applicant requests that the Section 103 rejection of Claims 1-4, 6, 9-14, 16, 19-21, 23, 26-29, 31, 34-36 and 48; the rejection Claims 8, 18, 25 and 33; and the rejection of Claims 5, 7, 15, 17, 22, 24, 30 and 32 be withdrawn.

For at least the reasons set forth above, Applicant respectfully requests that the Section 103 rejections be withdrawn.

In view of the foregoing amendments and remarks, all the claims now active in the application are believed to be in condition for allowance. Reconsideration and favorable action is respectfully solicited.

Respectfully Submitted,


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